Advertising Age

© Entire contents copyright 1979 by Crain Communications Inc. All rights reserved.

75¢ a Copy; $30 a Year | The International Newspaper of Marketing • In Two Sections. Section 1. | October 1, 1979

U.S. agencies take major steps into Far East

Needham finds Japan tie, also moves into London

By CRAIG ENDICOTT

NEW YORK—Needham, Harper & Steers Inc. is purchasing a "substantial minority interest" (believed to be about 49%) in a London advertising agency, gaining a foothold in Japan by setting up a Far East holding company with a Japanese partner and beefing up its Canadian unit with outside talent.

Such moves on an international level, influenced by the growing business of NH&S clients abroad and the agency's desire to add product areas to its client mix, are intent on bringing international billings up to "40% of a much larger total billings figure in four years," notes chairman and chief executive officer Paul Harper.

The additional product areas would be filled by winning the domestic accounts of clients handled by another network member. Specifically, this enlarged internationalism brings timepieces, cosmetics, hotels and processing film closer to NH&S' grasp in the U.S., all areas in which it would have no conflict.

NH&S' international ratio is certainly optimistic, given the fact that billings outside the U.S. now account for only 19% of worldwide billings. Its international billings in 1978 were $61,000,000, compared with U.S. billings of $257,000,000.

NH&S' expansion abroad also comes at a time when the agency was sought by other U.S. agencies for possible merger talks. Discussions were held with D'Arcy-MacManus & Masius and Norman, Craig & Kummel, though talks never ventured beyond a meeting or two.

• Instead, NH&S went the building-block route in starting small, especially in London, though with full intentions of building its new London arm, called BNRR/Needham Ltd., into one of Britain's top 10 agencies, says Mr. Harper.

BNRR stands for Bellamy, Nicholson, Reeves, Robertshaw Ltd., a midsize En-

(Continued on Page 80)

McCann joins other shops in lining up China business

By BERNICE KANNER

NEW YORK—American ad agency interest in China is starting to pay off.

McCann-Erickson Worldwide last week announced it was the first U.S.-based shop invited to meet and do business with the Shanghai Advertising Corp., the government arm responsible for import and export advertising.

At the same time, it surfaced that N W Ayer ABH was recently awarded Chinese business and that Ogilvy & Mather has been quietly and contentedly operating there since May.

Other agencies such as Young & Rubicam and J. Walter Thompson Co. are preparing to join the crusade. Compton Advertising and Doyle Dane Bernbach, which, having opened the door with an earlier visit, are now seeking clients to usher through it.

Ayer will do advertising and promotion for the National Exhibition of China, a three-city show slated to arrive here next fall. The assignment comes directly from the Peking government.

O&M has been appointed by the China Native Products and Animal Byproducts Export & Import Corp. to handle all consumer products from the Canton region. The agency currently is promoting Chinese carpets and brandy and proprietary medicines such as the Temple of Heaven Essential Balm.

Nigeria was the first market for the worldwide assignment. Ads will soon break in the U.S., said Michael Ball, O&M executive director-international. The current budget is less than $1,000,000 but "when we're geared up, the potential is massive," he added. O&M, which Mr. Ball pointed out is the first agency to place advertising in China since 1949, has run spots on China tv for Diastar, a brand of the Japanese-based Rado Watch Co., Mercedes-Benz trucks and Grundig, the Germany electronics company. The agency also has run ads for American Express Co. at

(Continued on Page 80)

Will build silbervasser with ad muscle

Seagram out to topple Smirnoff

By JOSH LEVINE

NEW YORK—After feeling out the vodka market for two years, Jos. E. Seagram & Sons is pitting its great white goods hope against Smirnoff, the undisputed brand champion.

Though the magnitude of the leading distiller's marketing plans for Von Konig silbervasser; a German import, outweighs the resources of almost all other companies, Seagram's move could signal a time of energetic brand building in a one-brand market.

Seagram plans to take Von Konig national from its introductory markets of Phoenix, Baltimore and San Diego as quickly as possible. "We aren't willing to wait 25 years to build this brand," said a Seagram exec. Agency is North Castle Partners (AA, Sept. 24).

Despite the fact that vodka is the largest-selling liquor category, Heublein Co.'s Smirnoff vodka remains the only recognizable brand nationwide since it built the market in the early '50s. It is precisely that success that Seagram's and other distillers feel makes Smirnoff vulnerable.

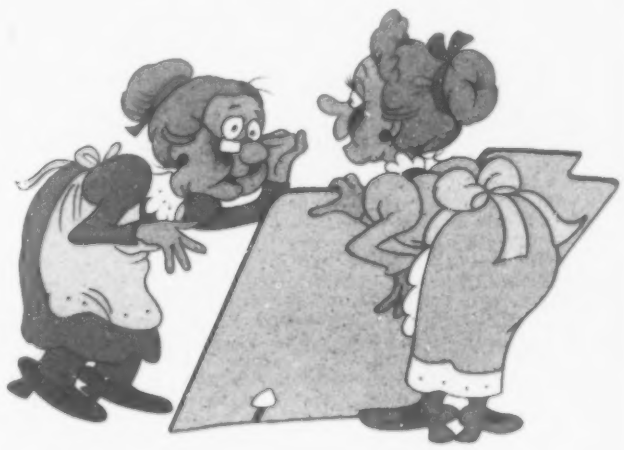
"We're going to have to make a lot of noise [about Von Konig silbervasser] to get the volume we're shooting for—more noise than any of the competition," said Gilbert Schy, exec vp-marketing at General Wine & Spirits, the Seagram division that markets the brand.

Part of the noise Seagram is making in ads that proclaim, "Makes you forget vodka," concerns the fact that Von Konig isn't really vodka at all—it's silbervasser, a form of grain neutral spirit that Seagram has registered as a new category of liquor.

The difference seems to lie primarily in Von Konig's texture, described as heavy cream to vodka's half and half.

In its pursuit of the ultimate mixer, Seagram has renamed pop-

(Continued on Page 79)



Gertrude and Gwen Green are being introduced into the Valley of the Jolly Green Giant in new tv commercials for Green Giant Co. The Green sisters will be used to sell the company's frozen entrees. That's Gertrude on the left. (See story on Page 2.)

Media, marketers greet Pope

By JAMES P. FORKAN

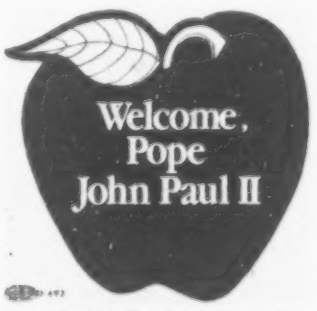
NEW YORK—Despite the religious impact of Pope John Paul II's visit to the U.S., a number of companies looked to the materialistic aspects, hoping to sell tie-in souvenir merchandise.

The pontiff's unprecedented seven-day, six-city journey also has had harried broadcasters thinking in relatively mundane terms about how much coverage to present, when to preempt regular programming and whether to sell sponsorships to defray some production and preemption costs.

So far, each of the tv networks plans 4½ to 5½ hours of live and taped coverage of the papal visit (excluding newscasts). CBS' main focus appears to be on the Oct. 2 United Nations address; NBC's on his Oct. 7 Washington address, and ABC's on the Oct. 7 pontifical mass in the capital.

• The decision on the duration of coverage for many of the items on the agenda will not be decided until this week, network officials said. Among shows bumped so far are "Guiding Light," Oct. 1, and "Search for Tomorrow," both Procter & Gamble soap operas on CBS; "Match Game" on CBS, and

(Continued on Page 79)



New York's Big Apple logo surrounds greeting for Pope John Paul II. Posters in 16 languages and lapel and bumper stickers were prepared by a group of BBDO volunteers headed by chairman Tom Dillon.

last minute news

Congress freezes FTC from clearing rules

WASHINGTON—House negotiators pushed through an unprecedented plan to freeze major FTC actions in last-minute talks with Senate bargainers Friday that cleared the way for funding commission operations beyond Oct. 1. The freeze will bar FTC from finalizing industrywide rules or starting significant "new activity." (See earlier story on Page 3.)

Keller-Crescent's N.Y. office may be acquired

NEW YORK—Keller-Crescent's 18-month-old office here—billing $3,000,000 to $5,000,000—is in the process of being acquired by one of several major shops now conducting talks with Robert W. Plyer, managing director of the office.

Jergens rolling out Spring Feeling hair care line

CINCINNATI—Andrew Jergens Co. pioneers a new hair care concept with the national launch of Spring Feeling shampoo and conditioner, both containing spring water. Net tv radio and magazine advertising

(Continued on Page 8)

NEWSPAPER
Big C... won't take
b...
AA MAR80
DC20014CNGLIHGENR 94187 92001I
R HAGERMAN SECY TO SR VP
CONGRESSIONAL INFO SERVICE
7101 WISCONSIN AVE
WASHINGTON DC 20014

Industry watchers poised for shifts

NBC's strong start is top tv season drama

By COLBY COATES

NEW YORK—NBC-TV, still basking in the glow of its first weekly prime time ratings win in nearly a year, ran only one ratings point behind a nervous ABC-TV midway through week No. 2 of the 1979-80 fall season.

National ratings through Wednesday (Sept. 26) gave ABC the lead with a 21.1 rating, 35 share. NBC was a strong second with a 20.1 rating, 33 share while CBS-TV continued in third place with a 15.1 rating, 25 share.

▪ The first week of head-to-head competition (ABC started its new season a week before its rivals) that ended Sept. 23 had NBC in first with a 20.6 rating, 34 share followed by ABC's 18 rating, 30 share and CBS' 16.9 rating, 28 share. In turning in its best premiere week performance since 1972, NBC—offering a lineup heavily loaded with movies and specials and lacking some regular series fare—posted an average 18% ratings increase over the 1978 premiere week.

Three-city overnights for Thursday, Sept. 27, suggested ABC would win that night, but its eight share point margin over NBC in New York dwindled to three points in Chicago and two in Los Angeles. "Benson," ABC's heavily-touted, half-hour sitcom, pulled the night's biggest numbers; a night earlier NBC president Fred Silverman's pet project, "Real People," posted its best numbers ever, a 20.6 rating, 35 share.

▪ In winning week No. 1 NBC uncorked a barrage of expensive movies and specials that drew big numbers, new series such as "Misadventures of Sheriff Lobo," "A Man Called Sloane" and oldtimers like "Quincy," "Real People" and "Diff'rent Strokes" drew equally big numbers. In addition, a two-hour "CHiPs" special went through the roof as it captured a 47 share.

▪ CBS, meanwhile, won the ratings contest on Friday and Sunday, but ran last the rest of the week. "All in the Family's" successor, "Archie Bunker's Place," scored an impressive win over ABC's "Mork & Mindy" and "The Associ-

(Continued on Page 82)

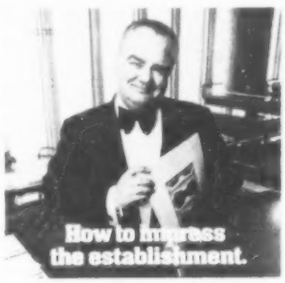
"Not too dry" is the message in 30-second spots for Franzia Bros. chablis blanc which will air in major metropolitan markets starting in October. The winery also is rolling out 12.7-oz. sizes of chablis blanc and cabernet sauvignon in glass beer mugs. (See Page 81.)

Diners Club plans full course campaign

By JOSH LEVINE

NEW YORK—Diners Club is putting $12,000,000 to $15,000,000 where its mouth is in the first campaign from Wells, Rich, Greene.

In its second year of aggressive marketing after a decade of "stagnation," Diners Club is attempting



Diners Club is returning to its roots as a charge card for dining out in seeking to sign up new eateries and promote higher spending when its cardholders patronize them.

to stimulate higher restaurant spending by its roughly 3,000,000 domestic cardholders. At the same time, the travel and entertainment card is looking to beef up its roster of restaurant and hotel members.

Spot tv and magazine ads breaking today feature a troupe of eager restaurant and hotel employes courting an invisible Diners Club cardholder, whose invisible aura of affluence is implied by the theme, "You'll know one when you see one." The immediate recognition elevates the Diners Club member over an American Express member, who remains anonymous in AmEx commercials until he or she produces the familiar green card.

▪ The campaign, budgeted through 1980, will expand gradually into 120 markets. Print ads will appear in *Esquire, Forbes, Golf Digest, Ms., National Geographic, New Woman, Psychology Today, Playboy* and *Vogue*, out of a total list of 17 publications.

"This campaign is a first step. We're occupying ground that we consider already ours," said James Stetler, exec vp-marketing. "Diners Club started as a charge card for dining out 30 years ago, and that's still the dominant awareness of the card among the public now. We will turn our attention to travel and resorts next year."

▪ The current campaign actually isn't the first step. That was taken last year when Diners Club hired Mr. Stetler from its major rival, American Express, to preside over its first large-scale marketing effort. An introductory campaign announced Diners Club services, such as its Doublecard feature, and a credit line up to $15,000 with Chase Manhattan Bank.

Though Diners Club continues to mention those features in print ads, the new tv commercials hark back to the motivation for almost all travel and entertainment card applications—prestige. Though American Express' worldwide base of about 10,000,000 cardholders dwarfs both Diners Club with almost 4,000,000 and Carte Blanche with just under 1,000,000, all three pluck an aristocratic chord in their advertising.

The problem, however, is finding enough aristocrats in a U.S. market that is nearing saturation. In Diners Club's case, it hopes to fill its cardholder ranks with a younger base, many of whom were introduced to credit through bank cards like Visa and Master Charge.

"We're looking at a 25 to 34-year-old age group; in our case it's more difficult to eat into American Express membership than to tap bank cardholders who want to trade up," Mr. Stetler said. "No matter what the resources of our parent [Continental Corp., a New York insurance giant], American Express will probably outspend us four or five to one for a while." #

Green Giant adds sisters to the Valley

By LARRY EDWARDS

MINNEAPOLIS—For the first time since the birth of the Little Green Sprout in 1972, Green Giant Co. has introduced some new characters into the Valley.

Jack Stafford, exec vp of the Pillsbury subsidiary, said that the animated characters—the Green Sisters—provide a "refresher" for the Giant's advertising, but more importantly are designed to handle the company's growing frozen entree business.

The Green Sisters, now appearing in Green Giant's new fall network and spot tv schedule, are two "little old ladies" portrayed as the best cooks in the Valley. As explained by William McGrath, vp-prepared foods and new products, the sisters find their reputations threatened by the entrees the Giant has been cooking up and freezing. The four commercials in the new pool feature situations in which the sisters try his products and respect them—thus endorsing them.

Mr. McGrath said the Green Sisters also verify "the flexibility of the Valley format." The company broke its first ad support for frozen entrees in late 1977, following their national rollout under the Green Giant brand (they had earlier carried the Holloway House name). But since then, spots for the entrees have featured the individual products (and the Giant, of course)—the Little Green Sprout was not used.

▪ "We were comfortable with the introductory ads," Mr. McGrath said, "but we knew we had to move on to a sustaining drive." So the company and agency Leo Burnett Co., Chicago, have been working on the Green Sisters concept for about one year.

That's not as long as it took to develop the Little Green Sprout, which took about 2½ years. But he was created to provide a "voice"—a spokesman—for the Jolly Green Giant, who has never said more than "Ho, ho, ho." And the Green Sisters "are not going to be used

(Continued on Page 82)

highlights

Monday, October 1, 1979

FDA wants help from an agency or design house in developing better ways to display required data on food labels. *See Page 10.*

An Ohio utility says it will no longer include ad costs when seeking rate increases. *See Page 10.*

General Mills has set up a five-year plan calling for sales to increase $3 billion. *See Page 12.*

Washington leaders got a glimpse of the teletext system being tested by CBS. *See Page 18.*

RAB and SRA have teamed up to make national spot buys on radio sports easier for advertisers. *See Page 20.*

A cable tv operator, American Television & Communications Corp., has hired Tracy-Locke to standardize marketing for its system. *See Page 20.*

Buick will promote its fuel economy in its 1980 cars, dropping such themes as "After all, life is to enjoy." *See Page 28.*

McGraw-Hill has trimmed circulation and ad rates of *Medical World News*. *See Page 28.*

Cadillac ads assure car shoppers that luxury is still okay. *See Page 34.*

Gold is a hot commodity, but some marketers of the precious metal still use advertising. *See Page 38.*

MG is an endangered species of car, but its U.S. importer is still fighting for market share. *See Page 42.*

Texas Instruments continues to expand its retail store operations. *See Page 43.*

Bill Tyler wonders what's so great about the agency merger trend and he reviews his October "top ten" picks. *See Page 47.*

Gene Gramm presents an idea for test marketing the Susan B. Anthony dollar in The Idea Marketplace. *See Page 56.*

Strong package design can break through clutter on store shelves, says Ed Meyer. *See Page 58.*

Lou Haugh discusses the importance of measuring the results of sales promotion events in Promotion Hotline. *See Page 58.*

Proposition 4, another attempt to slash taxes in California, is getting ad backing. *See Page 61.*

Foodmaker will begin a repositioning drive in 1980 for its pared down Jack in the Box chain. *See Page 62.*

The noncommercial Public Broadcasting System has no lack of "sponsors" for its new fall season. *See Page 65.*

Gordon L. Jones moves to Hearst Corp. this week as vp-group exec in charge of books and business magazine publishing. *See Page 80.*

Franzia Bros. has a new commercial for its chablis blanc and a new packaging offer—a stein. *See Page 81.*

Over-the-air pay tv got a boost from the FCC, which killed a rule allowing only one such station in a market. *See Page 82.*

Katz Agency is offering clients a computerized marketing system. *See Page 83.*

Chicago tv production facilities are drying up because locally based advertisers and agencies do most commercial production out-of-town, according to a magazine article by Sterling (Red) Quinlan. *See Page 83.*

The Libertarian party already has its Presidential candidate for 1980 and has mapped out a $2,500,000 ad campaign. *See Page 83.*

United Airlines is adding Chicago and Denver in its flights to Florida. *See Page 84.*

Cleveland's controversial mayor, Dennis Kucinich, this week faces his fourth battle at the polls in the last two years. *See Page 91.*

Section 2

The latest on premium trends and case histories describing premium/promotion events are featured in this week's Section 2: Premiums and Promotion beginning opposite Page 42.

REGULAR FEATURES

ADBEAT	76	NEW PRODUCTS	70
ADVERTISING MARKETPLACE	71	PHOTO REVIEW	30
AGENCY PEOPLE	29	PRESSTIME	8
BRADY	66	PUBLIC RELATIONS	60
CON-SID-ERATIONS	16	SIDEBARS	40
CORRECTIONS & CLARIFICATIONS	80	VIDEOTECH	44
EDITORIAL VIEWPOINT	16	VOICE OF THE ADVERTISER	64
FEATURES SECTION	47		
FOR THE RECORD	79	FIGURES TO FILE	
LONDONLINE	24		
MEDIA PEOPLE	67	AIRLINE ADVERTISING EXPENDITURES—SECOND QUARTER	42
NEW AD RATES	40		

Vol. 50. No. 42—Advertising Age (ISSN-0001-8899) is published weekly except semiweekly the second week in March, the first week in September and the third week in December at 740 N. Rush St., Chicago, Ill. 60611. Second class postage paid at Chicago and additional mailing offices.

MG still battling for import market share

By LOUIS A. FANELLI

NEW YORK—While sports car enthusiasts may be mourning BL Ltd.'s plans to end production of its 50-year-old MG in 1981, the company will still be fighting for its U.S. share of the import car market in 1980. Among the competitors:

• Subaru of America, Pennsauken, N.J., will break a $10,000,000, 12-month network and spot tv consumer magazine campaign in mid-October to introduce its 1980 compact car line. A "brains and beauty" jingle will be introduced in the new campaign which stresses styling for the first time (AA, Sept. 24). The agency is Levine, Huntley, Schmidt, Plapler & Beaver.

• Peugeot Motors of America, Lyndhurst, N.J., is offering a $1,000 rebate on its 1979 top-of-the-line Peugeot 604 which lists for approximately $16,000. According to a spokesman, the rebate offer is running on spot tv, as well as in newspapers. Van Leeuwen & Partners is the agency.

Alfa Romeo USA, Englewood Cliffs, N.J., keying on the recent increase in gas prices, is offering customers 667 free gallons of gas or the equivalent of 12,000 free miles of driving with the purchase of a 1979 Sprint or sports sedan.

According to F. William Free & Co., the company's ad agency, when a Sprint or sports car is purchased the owner is given a booklet containing two vouchers. The first voucher is sent to the company and the owner receives a check for the price of 667 gals. of gas. After 12 months, the second voucher is sent to the company, and if the price of gas in their area has increased, the company will send a second check making up the difference.

Sprint, the higher priced of the two models, lists for approximately $13,500, including extras. EPA estimates Sprint gets 18 mpg in city driving and 25 mpg on the highway.

The offer runs through Oct. 31. Newspaper ads are running in New York, Los Angeles, San Francisco and Seattle.

Robert W. Burden, BL's U.S. advertising director, noted that the MG line will continue to be advertised next year and through the first quarter of 1981. Advertising, he said, will coincide with the car's production schedule. MGs will continue to be produced until next summer, with the car most likely being available until early 1981.

The company, he added, will retain the MG name in the hope there will be an MG of some kind in the future.

Bozell & Jacobs, which acquired the MG account in 1963, will continue to handle BL's Jaguar advertising. The company also manufactures Triumph and Rover cars.

According to Leading National Advertisers Inc., last year measured spending for MG was approximately $5,750,000. Jaguar spending was nearly $2,500,000.

Last year the company exported to the U.S. approximately 30,000—or 75% of all MGs produced. Negotiations are now under way, Mr. Burden said, to ship all of the 1980 models to the U.S. #

$1000 FACTORY REBATE
PEUGEOT IS MAKING ROOM FOR THE 1980 MODELS WITH A VERY CLASSY CLEARANCE SALE.
BUY A LUXURIOUS PEUGEOT 604 AND PEUGEOT MOTORS OF AMERICA WILL SEND YOU A CHECK FOR $1000.
PEUGEOT

Peugeot joins the rebate battle with a cool $1,000 off offer for its high-price 604 model.

Hall & Levine's Ansel opens own company

Ansel Associates, a new marketing consulting and project development company, will open at 2550 Via Tejon, Palos Verdes Estates, Cal. 90274, on Oct. 1, headed by Donald R. Ansel, currently vp-marketing director, Hall & Levine Advertising, Los Angeles. Mr. Ansel has held senior management positions with Ralston Purina Co., St. Louis; Purex Corp., Lakewood, Cal.; Doyle Dane Bernbach, Los Angeles, and J. Walter Thompson Co., Chicago. Hall & Levine is the initial client.

'Illuminated Ad Sign Guide' offered by Dualite

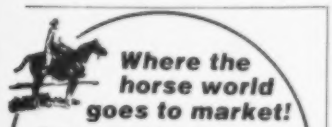
"Illuminated Advertising Signs Buyer's Guide & Glossary," an advertiser's guide to buying and using illuminated sign advertising, is available free of charge from Dualite Inc., Dualite Lane, Williamsburg, O. 45176. The 21-page book outlines who should use sign advertising, elements of good design, how to spot a quality sign maker and industry terms for quick reference. Requests should be directed to John Fischbach.

AIRLINE ADVERTISING EXPENDITURES

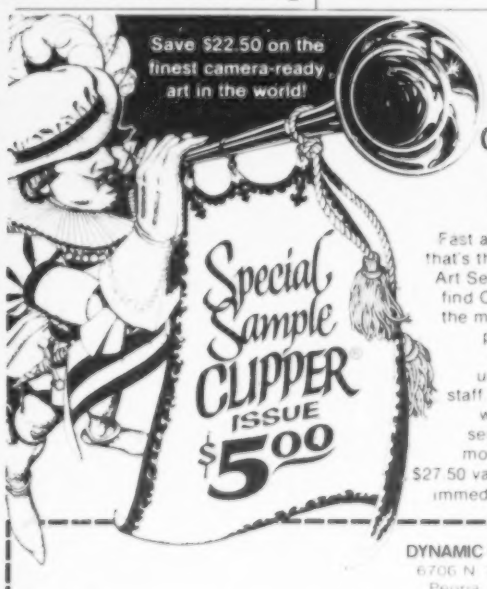
Second Quarter

Airline	Ad Expenditures 1978	Ad Expenditures 1979	Total Transport Revenues* 1978	Total Transport Revenues* 1979	% of revenue 1978	% of revenue 1979
Allegheny	$1,345,000	$1,814,000	$141,924,000	$171,093,000	0.94%	1.06%
American	9,327,000	10,564,000	644,269,000	808,642,000	1.45	1.31
Braniff	3,405,868	3,209,226	222,825,659	330,386,818	1.53	0.97
Continental	3,372,794	4,902,223	182,930,904	231,414,825	1.84	2.12
Delta	7,607,639	8,027,050	546,550,413	666,595,782	1.39	1.20
Eastern	7,901,178	9,221,014	568,994,355	689,290,864	1.39	1.34
National	2,746,000	3,944,000	151,210,000	153,061,000	1.82	2.58
North Central	871,746	1,116,297	71,499,281	93,086,282	1.22	1.20
Northwest	1,890,147	2,770,884	92,082,299	328,537,264	2.05	0.84
Pan Am	9,292,000	9,056,000	521,836,000	572,400,000	1.78	1.58
Southern	589,000	519,000	44,523,000	53,337,000	1.32	0.97
Texas Internat'l	315,943	635,556	42,670,371	54,201,452	0.74	1.17
TWA	10,973,116	11,626,878	600,511,424	744,705,642	1.83	1.56
United	12,182,526	10,048,158	825,903,697	282,387,745	1.48	3.55
Western	2,543,000	3,462,000	192,734,696	229,863,356	1.32	1.51

*Total Transport Revenue figures include the following categories: Passenger, Property & Charter



Compare editorial vitality, quality and quantity among leading horse publications . . . evidence why we reach selective, hard-core horsemen; our advertisers do too.
Call direct or write for reader demographics and complete media package. Also, see section 25, SRDS.
THE WESTERN HORSEMAN
P. O. Box 7980 • 3850 N. Nevada Ave.
Colorado Springs, CO 80933 Ph. 303-633-5524



Expand your art department and your PROFITS!
Fast and professional that's the Clipper Creative Art Service! **Ad Agencies** find Clipper makes even the most routine job impressive and profitable without tying up your valuable art staff. For just $5.00 you will receive a representative issue of the monthly Clipper. This $27.50 value is ready to use immediately upon arrival.
DYNAMIC GRAPHICS, INC.
6706 N. Sheridan Road
Peoria, Illinois 61614
My $5.00 is enclosed. Please rush my Special Sample Clipper issue!
Name
Company
Address
City State Zip
SPECIAL SAMPLE CLIPPER ISSUE

Jerry Clower
voted
"Country Music Comic of the Year"
Member — Grand Ole Opry
Best selling MCA Recording Artist
Available through Tandy Rice, Personal Manager
TOP BILLING, INC.

When you're hot, you're bought.
"Continental entered the San Diego market in 1978, and The San Diego Union and The Evening Tribune were a major part of our media mix. Very shortly after start of service our traffic levels exceeded our initial goals, and we're sure the Union-Tribune had a lot to do with this."

The San Diego Union – The Evening Tribune
TOP PERFORMERS IN AMERICA'S NUMBER ONE MARKETPLACE.
Copley Newspapers represented by Sawyer-Ferguson-Walker
1978 PULITZER PRIZE WINNER